

## UK Tax Strategy

**Approved by the Next 15 Group plc board on 12 December 2023**

This document is published in accordance with the requirements of paragraph 16, Schedule 19 of the Finance Act 2016 and applies in respect of the accounting period ending 31 January 2024.

### **Who we are**

Next 15 Group plc (“Next 15”) is a group of businesses designed to help companies grow. We achieve this in four different ways:

- We use data to generate the insights that help businesses understand the opportunities and challenges they face, and arm them with the knowledge they need to make the best decisions.
- We help our customers optimise their brand and build the mission-critical digital assets that businesses need to engage with their audiences.
- We use creativity, data, and analytics to create personal connections with customers to drive sales and deeper engagement.
- We help customers redesign their business model or create new ventures to maximise the value of their organisation.

We bring these services together in a way that combines the creativity of an agency, the rigour of a consultancy and the deep skills of a tech business.

### **Primary Tax Objective**

The primary tax objective of Next 15 is to ensure the timely payment and reporting of all taxes across the Globe, as required under Domestic and Foreign legislation.

### **Next 15 UK Tax Strategy**

This tax strategy is applicable to all taxes relevant to the Next 15 Group and applies to all Next 15 group companies. The document will be reviewed annually, updated as appropriate and approved by the Chief Financial Officer (CFO), the Audit and Risk Committee and the Board.

Key risks and issues related to tax are escalated to and considered by the CFO throughout the year, and the Audit and Risk Committee (and if appropriate the full Board) on at least an annual basis.

### **Principles of the Tax Strategy**

*Compliance and tax planning* – key to our tax strategy is ensuring a high level of tax compliance, including accurate and timely reporting and payment of tax liabilities.

*Tax planning* – Next 15 will not consider tax planning that is aggressive, or that involves artificial transactions.

*Delivering value* – whilst ensuring we achieve high levels of tax compliance and noting that we will not pursue aggressive or artificial tax planning, where appropriate we will take advantage of reliefs and allowances to deliver shareholder value.

*Continuous improvement* – our continued rapid expansion across multiple jurisdictions requires our tax function to continually evolve to ensure the core objectives of the strategy are met.

## **Implementation of the Tax Strategy**

### **The Tax Team**

The Tax Team, led by the Head of Tax, is responsible for implementing the tax strategy and is accountable to the CFO and Audit and Risk Committee for the management of tax risk. The Tax Team comprises tax professionals based mainly in London. Beyond implementing the tax strategy the team has a wide range of responsibilities, including managing the group's tax compliance and relationships with the tax authorities and providing tax advice to the group on a wide range of matters.

### **Managing tax risk and governance**

Next 15 is an acquisitive, fast growing, international group with global operations. As such a degree of tax risk is inevitable. Next 15 has a low tolerance for tax risk and we minimise our risk through the key pillars of our tax strategy, in particular:

- High degree of compliance
- No aggressive or artificial tax planning
- Pro-actively managing tax risks

This risk management is delivered through our robust internal systems and controls. These revolve around The Framework, a detailed set of minimum standards of compliance that all our group companies must follow.

The Tax Team is well integrated into the business ensuring the team can pro-actively consider tax risk on all matters.

### **Acceptable level of risk**

As set out in this strategy, Next 15 has a low tolerance for risk. However, tax rules can often be subjective so it can be impossible to fully mitigate all risk. Therefore, Next 15 may be subject to some tax risk from its activities, although one of the key roles of the Tax Team is to mitigate this risk as far as possible.

### **How Next 15 manages tax risk**

The Tax Team regularly reviews the group's tax risks and these are recorded on our Group Risk Register. Each year the Internal Audit Team is instructed to undertake a review of higher risk areas to ensure processes and controls are sufficiently robust, with findings reported to the Audit and Risk Committee. Areas of concern are also discussed at our regular Senior Accounting Officer (SAO) meetings which comprises the Tax Team and wider members of the Next 15 finance team.

The Tax Team is key in managing and mitigating tax risk. As such Next 15 is committed to ensuring the team has sufficient resource, training and support.

Next 15 is subject to an independent external audit, providing additional assurance over the group's processes and controls.

We work with independent advisers, in particular where transactions may be unusual, subjective, complex or involve material amounts of tax. In addition, we use independent advisers where there may be a potential conflict of interest when undertaking the work in-house.

**Tax planning**

Next 15 will not undertake tax planning that is aggressive or that uses artificial transactions where the sole purpose is to reduce tax.

The Tax Team will look to ensure all available legitimate reliefs and allowances are claimed but we will always consider if opportunities are appropriate and consistent with our risk profile and principles.

**Working with HMRC**

Next 15 is committed to an open and transparent relationship with HMRC, for example through regularly discussing business developments and any potential tax impact. Due to the subjective nature of some areas of tax, there may be occasions where our view differs to that of HMRC. Should this arise, we will endeavour to work with HMRC constructively to resolve the matter in a timely manner.